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PLEASE REPLY TO WEST ORANGE

January 2, 2007

Muthu Sundram, Esq.
Assistant Regional Counsel
Office of Regional Counsel
US Environmental Protection Agency - Region II
290 Broadway, 17th Floor
New York, NY 10007

5/23/07
Left message for Dennis with proposed dates 6/6, 7, 11, 13 + 14.

RE: ISP Environmental Services/LCP Chemicals Site

Dear Muthu:

As we discussed on the telephone, ISP Environmental Services, Inc. is considering the opportunity to implement cost recovery actions against other potentially responsible parties in connection with the LCP Chemicals site. Pursuant to the Aviall decision, it is necessary for the Administrative Consent Order for the site to reflect that ISP has resolved its liability to EPA with respect to the work ISP is undertaking at the site. Because the Consent Order in this case predates Aviall, the language which is necessary to support the cost recovery action is not included in the Order. Accordingly, we have enclosed a proposed amendment to the Order to reflect the necessary language.

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JAN - 9 2007

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Please get back to me at your earliest convenience to discuss how best to proceed to amending the Order to include this language.

Very truly yours,

DENNIS M. TOFT

DMT:jmc

PROPOSED AOC AMENDMENT LANGUAGE

WHEREAS, the United States Environmental Protection Agency ("EPA") has indicated in its Interim Revisions to CERCLA Removal, RI/FS and RD AOC Models to Clarify that Contribution Rights and Protection under Section 113(f) ("Interim Revisions") that the United States Supreme Court's 2004 decision in *Cooper Industries, Inc. v. Aviall Services, Inc.* has raised concerns that "current model AOCs do not clearly state that a settling PRP has resolved liability for response costs or response actions address in the order and that, as a result, their right to seek contribution from other parties to the extent provided by CERCLA § 113(f)(3)(B) is unclear;" and

WHEREAS, the EPA has stated in its Interim Revisions that its "intent and position has been, and continues to be, that EPA AOCs resolve a settling PRP's liability within the meaning of CERCLA § 113(f)(3)(B);" and

WHEREAS, the EPA has stated that the Interim Revisions "are meant merely to clarify and confirm this intent;" and

WHEREAS, ISP Environmental Services Inc. ("ISP ESI") is, as Respondent in the 1999 Administrative Order on Consent for Remedial Investigation and Feasibility Study ("LCP Order"), a settling potentially responsible party ("PRP") with EPA under CERCLA § 122; and

WHEREAS, ISP ESI and the EPA intend the LCP Order to conform with the revised AOC language in the Interim Revisions;

NOW THEREFORE, in consideration of the foregoing and of the mutual covenants and agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, ISP ESI and the EPA hereby covenant and agree to revise the LCP Order as follows:

A. Section I, Paragraph 1 of the LCP Order shall be deleted and replaced with the following:

> "1. This Administrative Settlement Agreement and Order on Consent ('Settlement Agreement') is entered into voluntarily by the United States Environmental Protection Agency ('EPA') and ISP Environmental Services, Inc. ('Respondent'). This Settlement Agreement concerns the preparation of performance of, and reimbursement for all costs incurred by EPA in connection with a remedial investigation and feasibility study (hereinafter, the 'RI/FS') at the LCP Chemicals, Inc. Superfund site (hereinafter, the 'Site') located in Linden, Union County, New Jersey, as well as the recovery of past response costs.

B. A new Paragraph 1A shall be added after Paragraph 1 in Section I of the LCP Order. Paragraph 1A shall state the following:

"1A. The Settlement Agreement shall include the Statement of Work ('SOW'), all appendices attached hereto, and all documents incorporated by reference into this document including without limitation EPA-approved submissions. EPA-approved submissions (other than progress reports) are incorporated into and become part of the Settlement Agreement upon approval by EPA. In the event of conflict between this Settlement Agreement and any appendix or other incorporated documents, this Settlement Agreement shall control. For purposes of this Settlement Agreement any and all references to the term "Consent Order" shall be deemed to be references to this Settlement Agreement."

C. A new Section XXA, "Covenant Not to Sue by EPA" shall be added immediately after Section XX of the LCP Order. New Section XXA shall have a single paragraph, new Paragraph 78A, which shall state the following:

"78A. In consideration of the actions that will be performed and the payments that will be made by Respondents under the terms of this Settlement Agreement, and except as otherwise specifically provided in this Settlement Agreement, EPA covenants not to sue or to take administrative action against Respondents pursuant to Sections 106 and 107(a) of CERCLA, 42 U.S.C. §§ 9606 and 9607(a), for past, current, and future response costs incurred by EPA in connection with the RI/FS. This covenant not to sue shall take effect upon receipt by EPA of the Past Response Costs due under Section _____ of this Settlement Agreement and any Interest or Stipulated Penalties due for failure to pay Past Response Costs as required by Section XVIII of this Settlement Agreement. This covenant not to sue is conditioned upon the complete and satisfactory performance by Respondents of their obligations under this Settlement Agreement, including, but not limited to, payment of Future Response Costs pursuant to Section XVIII. This covenant not to sue extends only to Respondents and does not extend to any other person."

D. A new Section XXIIIA, "Contribution Protection," shall be added immediately after Section XXIII of the LCP Order. New Section XXIIIA shall have three paragraphs, new Paragraph 86A, 86B and 86C, which shall state the following:

"86A. The Parties agree that this Settlement Agreement constitutes an administrative settlement for purposes of Section 113(f)(2) of CERCLA, 42 U.S.C.§ 9613(f)(2), and that Respondents are entitled, as of the Effective Date, to protection from contribution actions or claims as provided by Sections 113(f)(2) and 122(h)(4) of CERCLA, 42 U.S.C. §§ 9613(f)(2) and 9622(h)(4), for 'matters addressed' in this Settlement Agreement. The "matters addressed" in this Settlement Agreement are the Work, Past Response Costs, Future Response Costs, and those response actions taken or costs paid prior to the effective date of this Amendment

and described in ¶¶ 24 through 33 of this Settlement Agreement.

"86B. The Parties agree that this Settlement Agreement constitutes an administrative settlement for purposes of Section 113(f)(3)(B) of CERCLA, 42 U.S.C. § 9613(f)(3)(B), pursuant to which Respondents have, as of the Effective Date, resolved their liability to the United States for the Work, Past Response Costs, Future Response Costs and those response actions taken or costs paid prior to the effective date of this Amendment and described in ¶¶ 24 through 33 of this Settlement Agreement..

"86C. Except as provided in Section XXA, nothing in this Settlement Agreement precludes the United States or Respondents from asserting any claims, causes of action, or demands for indemnification, contribution, or cost recovery against any persons not parties to this Settlement Agreement. Nothing herein diminishes the right of the United States, pursuant to Sections 113(f)(2) and (3) of CERCLA, 42 U.S.C. § 9613(f)(2)(3), to pursue any such persons to obtain additional response costs or response action and to enter into settlements that give rise to contribution protection pursuant to Section 113(f)(2)."